

Financial Aid News

WASHINGTON HIGHER EDUCATION COORDINATING BOARD

Online resources for aid administrators

- [Higher Education Coordinating Board Web site](#)
- [HECB secure Web site for aid administrators](#)
- [State Need Grant](#)
- [State Work Study](#)
- [Washington Promise Scholarship](#)
- [Educational Opportunity Grant](#)
- [Washington Scholars Program](#)
- [WAVE](#)
- [Other state aid programs](#)
- [Past issues of the Financial Aid News and other publications](#)
- [Washington Financial Aid Association](#)
- [Washington State Association of Student Employment Administrators](#)
- [Western Association of Financial Aid Administrators](#)
- [Western Association of Student Employment Administrators](#)
- [National Association of Student Financial Aid Administrators](#)



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In this issue:

- Governor unveils billion-dollar education plan
- Dr. James E. Sulton, Jr. assumes leadership at HECB
- Mary Gsell leaves her position with SWS
- HECB online financial aid tools underused by schools
- More details on the president's 2005 budget request
- Dates to remember
- Legislative update
- No hearings scheduled on bills of interest this week
- Web sites for tracking and analyzing legislation
- Bills of interest by subject

Governor unveils billion-dollar education plan

Sales tax increase would fund preschool through college programs

Gov. Gary Locke last week unveiled a proposed \$1 billion a year sales tax increase for education. The plan would create the Washington Education Trust Fund to pay for preschool through college enhancements.

Flanked by members of the League of Education Voters and key education leaders, Locke told reporters on Thursday that the state needed dedicated and stable funding for education.

"The magnitude of the issue demands bold, visionary action now," Locke said. "Our education system must keep up with the demands of the new economy. We must give every child from every background a chance to do well in school, and the opportunity for higher education."

Voters will have to approve the plan for it to take effect. Legislators could send the issue to the November ballot as a referendum. If that doesn't happen, the measure

might appear as a voter initiative if organizers can gather the required number of signatures.

Higher education would receive about \$400 million under the plan. Some of the higher education proposals would:

- Enhance funding for the State Need Grant program to serve students with family incomes up to 65 percent of the state's median.
- Extend eligibility for the Promise Scholarship to the top 30 percent of all high school graduating classes and raise the value of the award to 100 percent of community college tuition.
- Fund 25,000 new general enrollments at the average amount provided by other states for comparable institutions across the nation, and another 7,000 enrollments in high-demand fields at a funding level that is twice the national average.

The plan would also provide \$500 million for K-12 education and another \$100 million for preschool programs.

According to *The Seattle Times*, the proposed tax hike faces a tough road to enactment. Dino Rossi, the Republican candidate for governor, said he doesn't support any initiative going to the ballot this year. The leading Democrat in the race, Attorney General Christine Gregoire, has also distanced herself from the plan. And the state's largest teachers union — the Washington Education Association — issued a statement saying it doesn't support the proposal.

The governor's press release and details about the plan are available on the [Access Washington](#) Web site. The *Times* article and a sampling of other reports and editorials are also available online (some of these sites may require free registration):

<i>The Herald</i> (Everett)	Put education at top of election-year agenda
<i>The Olympian</i>	Teachers union says voters likely won't back plan
<i>The News Tribune</i> (Tacoma)	Bigger tax bite for ed funding?
<i>Seattle Post-Intelligencer</i>	Early punt on ed package would give sponsors better field position
<i>The Seattle Times</i>	\$1 billion tax boost for education will debut amid doubts
<i>The Spokesman Review</i> (Spokane)	Education plan faces uncertain fate
<i>The Columbian</i> (Vancouver)	Fromhold: Tax hike has little chance
<i>Walla Walla Union-Bulletin</i>	Gov. Locke's tax plan is going nowhere

Dr. James E. Sulton, Jr. assumes leadership at HECB

Since Dr. James E. Sulton, Jr. started his new job, he has testified before the House Higher Education Committee, met individually with several legislators and key education leaders, and attended staff briefings on everything from accountability to performance contracts to pre-paid tuition to transfer issues.

All in a week's work for Sulton, who began his duties as the Higher Education Coordinating Board's new executive director on Feb. 2.

At the end of his first week, Sulton said he likes what he sees in the state's higher education system so far — and he is particularly impressed with the strong commitment to financial aid.

"Access and affordability are critical issues in higher education today, and financial aid is a key element of each. Helping students find the financial support they need to realize their dreams is one of the most important things we can do as a state, as an agency, and as a community."

Prior to taking the job with the board, Sulton directed the New Jersey Commission on Higher Education. He holds a Ph.D. and a master's degree in international relations from Johns Hopkins University and a bachelor's degree from Howard University.

Mary Gsell leaves her position with SWS

The board is sorry to announce that Mary Gsell, who has been on extended leave from the agency, has decided that she will not return to her position as program associate with the State Work Study (SWS) program. Gsell joined the board staff in 1999 and spent much of her time as the program's field liaison with schools and employers.

"Mary did so much to increase the capacities of our employers and program administrators," said Associate Director Betty Gebhardt, who oversees the SWS program.

"She brought thorough analytical and problem-solving skills to every aspect of her work — whether in the trainings she developed, the roundtables she organized, or her one-to-one meetings with aid officers and staff. Our program is better because of her contributions, and we'll miss her."

Gebhardt plans an announcement soon about the program associate position.

HECB online financial aid tool underused by schools

Board hopes aid directors will spread the word about timesaving program

An online tool that saves financial aid administrators time, paper, and postage is not getting the use that board staff would like.

The tool, introduced in July, lets aid officers submit a variety of documents electronically — including payment requests.

"This improves efficiency for schools and for us," said Julie Japhet, program associate at the board. "There's so many things the schools can do electronically now — without paper, without a physical signature, without waiting for the post office to deliver it to us. And it's secure. Their information and their students' information are safe."

Japhet said that administrators might not be aware of all the forms that can now be sent electronically. "Lots of schools are using it for State Need Grant business, but we'd like them to take advantage of it in other programs as well."

Japhet said she hopes aid directors will get the word out to all their staff with responsibility for requesting payments and submitting forms to the board. "It's good for us, of course," she said. "But it will save the schools time and effort too."

The table at right lists all the forms that can be submitted electronically. For help in going paperless, contact program staff at the board.

Available electronic forms

EOG

- Annual Renewal Form
- Disbursement Report
- Part C of Student Applications

Future Teachers

Alternative Routes to Certification

- Payment Request Form

GEAR UP

- Payment Request Form

Promise Scholarship

- Certification Statement
- Disbursement Report
- Payment Request Form

State Need Grant

- Private Institution Repayment Status Form
- Private Warrant Request File
- Private/Proprietary Confirmation & Discrepancy Report
- Public Cash Request Form
- Public Institution Repayment Status Form
- Transfer Form
- TRIO Payment Request Form

State Work Study

- A-19 Billing Form
- Employer Change Form
- Institution Control Report
- Public Cash Request Form
- Survey Round For Supplementals & Deobligations
- Time Sheets
- Year End Expenditure Report

Washington Scholars

- Confirmation Report
- Fall Institutional Roster
- Update Form

Washington Award for Vocational Excellence

- Confirmation Report
- Fall Institutional Roster
- Update Form

Dates to remember

Student Employment Essentials

March 2 — UPS, Tacoma

March 4 — CWU, Ellensburg

The one-day workshop, offered at two locations, will provide information about immigration and employment laws, supervisor training, and student recruitment and orientation. The board will pay registration costs for SWS administrators. Watch for the brochure in your mail, and register early.

Student employment administrators will find this is an excellent preparation for the May state student financial aid workshop.

Contact Betty Gebhardt at bettyg@hecb.wa.gov or (360) 753-7852.

Annual state student financial aid workshop

May 10 — Yakima Valley Community College, Yakima

May 11 — Gonzaga University, Spokane

May 13 — North Seattle Community College

May 14 — Centralia College

The one-day workshop, offered at four locations, will provide training and 2004-05 updates on the State Need Grant, State Work Study, Educational Opportunity Grant and smaller aid programs. It will also include an overview of HECB activities and technology enhancements.

There is no registration. An agenda, meeting room locations, and parking information will be sent to aid administrators in April. If you have questions, contact Colleen Scovill at colleens@hecb.wa.gov or (360) 753-7850.

More details on the president's 2005 budget request

President Bush's 2005 budget proposal would raise limits on freshman borrowing from \$2,625 to \$3,000, but otherwise provide little new money for student aid, according a report in [*The Chronicle of Higher Education*](#).

Pell Grants

As reported in last week's *News*, the budget would increase overall Pell Grant spending while keeping maximum grants for most students at \$4,050 for the third year in a row.

Some eligible first- and second-year students who completed a rigorous high school curriculum could qualify for up to \$1,000 more a year under the president's plan.

The bigger Pell Grants would go to a relatively small number of Pell Grant-eligible students who sign on to the federal State Scholars program and complete a roster of courses considered preparatory for four-year study — including four years of English, three years of lab science, three years of math, and two years of foreign language. The administration estimates the cost of the bigger grants at \$33 million for 2005.

The State Scholars program is now operating in 12 states, including Washington. The president is also asking for \$12 million to encourage more states to participate in the State Scholars program.

Work Study, SEOG, LEAP

The Federal Work Study and Supplemental Educational Opportunity Grant programs would receive funding at the 2004 level. In addition, the budget would eliminate the Leveraging Education Assistance Partnerships (LEAP) program, which matches funds that states commit to need-based aid. (Washington will receive about \$3.2 million of the \$66.2 million 2004 LEAP appropriation.)

Student loans

Although the president's budget would increase first-year student borrowing limits, it leaves the total undergraduate borrowing cap at \$23,000. That ceiling was set over a decade ago, and many college leaders say it is inadequate to meet the needs of today's students.

The Coalition for Better Student Loans — an organization of higher education lobbyists and lenders — has called for increasing undergraduate borrowing limits to \$30,000.

Last week, the *News* misreported that the president's budget called for the elimination of the Perkins Loan program. Actually, the budget called for the elimination of *new funding* for Perkins Loans, and redirection of those funds to other need-based aid programs. Without new funding, colleges could continue to offer Perkins Loans with funds collected from previous borrowers. The *News* regrets the error.

Legislative update

Rep. Phyllis Gutierrez Kenney last week revived legislation to ensure that unspent state financial aid funds from one year will be available for needy students in the next.

House Bill 1123 creates a special account where the state would deposit unused financial aid funds for distribution to students in the following fiscal year. Gov. Gary Locke two years ago vetoed a similar bill that had passed both houses. Last year, the House passed HB 1123, but the Senate did not take the measure up for a vote.

On Feb. 4, the House voted 96-0 to approve the bill and again send it to the Senate.

Bill cutoffs

Friday (Feb. 6) was the deadline for most bills to be passed out of their committee of origin — including the House and Senate higher education committees. As a result, some bills that we've been tracking are not likely to go further.

Feb. 17 is the next major cutoff for legislation, when most bills must be passed by their own houses in order to stay in play this session. Bills pertaining to the budget — and the concurrent resolution concerning the Higher Education Coordinating Board Interim Strategic Master Plan (SCR 8421; HCR 4416) — are exempt from the February cutoffs.

Bills moving forward

In addition to House Bill 1123, here are some of the bills that were passed by their committees of origin and remain in play this session:

- **SB 6165 — Promise Scholarship.** The bill would allow for new Promise Scholarship rules to let students with special needs use the awards at Oregon and Idaho colleges near the Washington border.
- **HB 2708 — conditional scholarships for teachers.** The bill originally created a new conditional scholarship program for teachers; as amended, it revives a similar program, created in the 1980s, to provide financial aid for prospective teachers and allows for new awards through appropriations, private donations, and repayments.
- **SB 6071 — military tuition waivers.** The bill permits colleges to award tuition waivers to veterans of the recent wars in Afghanistan and Iraq.
- **SB 6164 — residency for military spouses and dependants.** Allows enrolled dependants and spouses of military personnel to maintain resident status when the serviceperson is transferred out of state.
- **HB 2843 — creating a four-year university in Bothell.** As amended, the bill would allow the UW-Bothell to become a four-year institution with lower-division offerings. An earlier provision, to merge the campus with Cascadia Community College, was dropped from the bill.

Bills not moving forward

The following are among the bills that did not pass out of their committees of origin by the cutoff and appear to be going no further this session:

- **SB 6532 and HB 2827 — tuition payment plans.** These bills would have required colleges to provide optional monthly tuition payment plans for students.
- **SB 6268 and HB 2700 — affirmative action.** The companion bills would have permitted colleges to maintain diverse student populations by considering race, color, ethnicity, or national origin in the admission

process. The Senate Higher Education Committee voted to approve the measure and referred it to the Senate Judiciary Committee, which has decided not to consider it. After a stormy public hearing, the House Higher Education Committee also did not vote to recommend passage of the bill. [*The Chronicle of Higher Education*](#) ran an online story about the bills this morning.

- **SB 6475 and HB 2944 — sales tax exemption for college textbooks.**

Bear in mind that, although these bills did not make the cutoff and do not appear headed for passage, no provision is ever really “dead” until the 54th day of the session. That’s the deadline for lawmakers to pass bills relating to the budget or its implementation. Sometimes proposals that have languished in committee can find new life as part of a budget bill.

The full list of the bills we are still tracking, with descriptions, is at the end of this newsletter. Should a “dead” proposal get resuscitated, we’ll be sure to inform you.

For more information about legislation, visit our “Web sites for tracking legislation” feature below. Or contact us at (360) 753-7850.

No hearings scheduled on bills of interest this week

Legislative hearings have given way to floor action this week as lawmakers focus on passing bills out of their houses of origin before the Feb. 17 cutoff. You can listen to floor action and past hearings on [TVW’s Web site](#).

Web sites for tracking and analyzing legislation

Full text of bills and supporting materials	www.leg.wa.gov/wsladm/bills.cfm
Complete legislative hearing schedule	www.leg.wa.gov/wsladm/calendar.cfm
Live and archived Web broadcast of all hearings	www.tvw.org
HECB legislative session site	www.hecb.wa.gov/Leg/index.asp
State Board for Community and Technical Colleges <i>Legislative News</i>	www.sbctc.ctc.edu/Legislative/CurrentLegSession.asp

Bills of interest by subject

For current information about the status of a bill, visit the Washington State Legislature's Web site:
<http://www.leg.wa.gov/wsladm/bills.cfm>.

Bill numbers **Sponsors** **Description**
Senate
House

Washington Promise Scholarship

SB 6165	Benton	Allows the HECB to establish rules for eligible students with special needs to receive the Promise Scholarship at Oregon and Idaho colleges in counties bordering Washington
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Financial aid carry-forward

E2SHB 1123	Kenney	Ensures that unspent financial aid funds at the end of a fiscal year are preserved for financial aid purposes through the creation of a dedicated account
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Financial aid programs for teacher education

HB 2708	Ormsby	As amended, revives an existing conditional scholarship program for prospective teachers pursuing certificates in mathematics, science, technology, special education, or bilingual education; lets the state make awards from appropriations, donations, and repayments to this and similar conditional scholarship programs for teachers
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Matters affecting military personnel

SB 6071	Shin	Permits colleges and universities to extend tuition waivers to veterans of the recent wars in Afghanistan and Iraq
SB 6164	B. Sheldon	Allows dependents and spouses of military personnel to maintain residency status when the service person is transferred out of state; student must be "continuously enrolled in a degree program"

Concerning the Higher Education Coordinating Board

SCR 8421	Carlson	Concurrent resolution to adopt or recommend changes or additions to the HECB 2004 Interim Strategic Master Plan for Higher Education; will guide the board's work in preparing the final version of the plan that is due in June
HCR 4416	Kenney	
SSB 6129	Carlson	Increases HECB membership from 10 to 12; replaces some current citizen members with the Superintendent of Public Instruction and representatives from the community and technical college system, public research universities, public comprehensive universities, and two-year and four-year faculty; governor will continue to appoint five at-large citizens and the student representative
HB 3103	Kenney	As amended, revises statute authorizing HECB; clarifies focus, purpose of agency; revises policy functions; restructures financial aid statutes; creates advisory committee to the board that includes the Superintendent of Public Instruction, executive directors of other state education agencies, chair of the Council of Presidents, and representatives from two-year and four-year faculty

Bills of interest by subject — continued

For current information about the status of a bill, visit the Washington State Legislature's Web site:
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Bill numbers **Sponsors** **Description**
Senate
House

Branch campuses and new higher education institutions

PSSB 5914	Carlson	Charges the Washington State Institute for Public Policy to conduct feasibility study for creation of baccalaureate and graduate degree opportunities in southwest Washington, including a possible new regional university
HB 2707	Kenney	Reaffirms the mission of branch campuses and requires HECB to adopt rules to ensure collaborative partnerships between branches and community and technical colleges; specifies that branches are responsible for upper-division and master's-level graduate education, except WSU Spokane, which may provide doctoral education
HB 2843	Sommers	As amended, allows UW Bothell to become four-year university and offer lower-division coursework; an earlier provision to merge the branch university with Cascadia Community College has been dropped

Other higher education proposals

SB 6332	Kohl-Welles	Introduced as companion bills; provide for performance contracts with institutions of higher education on a pilot basis
HB 2681	Kenney	

Supplemental operating appropriations

SB 6187	Zarelli	Making supplemental operating appropriations for 2003-05
HB 2459	Sommers	Making supplemental operating appropriations for 2003-05